



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

October 23, 2017

The Honorable Bobby L. Rush
U.S. House of Representatives
2188 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Rush:

Thank you for your letter regarding the designation of eligible telecommunications carriers (ETCs) to provide broadband service as Lifeline providers. You indicate that a state commission apparently advised a constituent company that it is unable to grant such a designation because section 54.201(j) of the Commission's rules preempts states from doing so. Your views are very important and will be entered into the record of the proceeding.

The Commission is committed to promoting digital opportunity and access to modern communications services for our nation's low-income families. However, the Commission must always act within the legal authority given to it by Congress. State commissions continue to retain the primary authority to designate Lifeline-only ETCs and ETCs that receive both high-cost and Lifeline funding, which are all eligible to receive Lifeline support for broadband.

Congress gave state governments, not the Commission, the primary responsibility for designating ETCs to participate in universal service under Section 214 of the Communications Act. Any ETC can receive universal service support for all Lifeline-supported services, including broadband. Section 54.201(j) of the Commission's rules only purports to limit state action with regard to the particular category of Lifeline Broadband Providers, and not to other ETC designations. States continue to play an important role in traditional non-LBP ETC designations, where state law grants them authority to do so.¹ To be clear, the statute and the Commission's rules do not prevent a state from exercising its jurisdiction to designate ETCs, which allows the designated carrier to provide and seek Lifeline reimbursement for voice *and* broadband services.² Indeed, since February 2017, eleven companies in fourteen different states have received ETC designations to participate in the Lifeline program, including one company that was previously granted designation as an LBP.³ These designations enable the carriers to provide Lifeline-supported voice and

¹ 2016 *Lifeline Order*, 31 FCC Rcd. at 4067, para. 286.

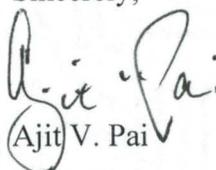
² 2016 *Lifeline Order*, 31 FCC Rcd at 4068, para. 288.

³ See *Application of Boomerang Wireless, LLC d/b/a enTouch Wireless, Hiawatha, Iowa, Seeking Designation as an Eligible Telecommunications Carrier in the State of Nebraska for the Limited Purpose of Offering Wireless Lifeline Service to Qualified Households*, Nebraska Public Service Commission Application No. C-4852/NUSF-105 (Feb. 7, 2017); *Petition of Boomerang Wireless, LLC EnTouch Wireless, Hawai'i Public Utilities Commission, Decision And Order No. 34431* (Mar. 3, 2017); *Illinois Electric Cooperative, Illinois Commerce Commission, Order, 16-0191* (Mar. 22, 2017); *Midcontinent Communications Designated Eligible Carrier Application*, North Dakota Public

broadband services within the designated service areas granted by the state.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,



Ajit V. Pai

Service Commission, Case No. PU-17-50 (Mar. 29, 2017); *Application of Midcontinent Commc 'ns, A S. Dakota Gen. P'ship, for a Certificate of Convenience & Auth. to Provide Telecommunications Servs. Within the State of Kansas, & for Designation as an Eligible Telecommunications Carrier*, Kansas State Corporation Commission, Docket No. 17-MCCT-254-ETC (Apr. 13, 2017); *Application of Bommerang Wireless dba EnTouch Wireless for Designation as an Eligible Telecommunications Carrier*, South Dakota Public Utilities Commission, TC13-035 (Apr. 28, 2017); *Petition of Vitelcom Cellular Inc., for Designation as an Eligible Telecommunications Carrier – Lifeline Only*, Government of the Virgin Islands of the United States of America, Public Service Commission, Docket No. 661, Order No. 55/2017 (May 2, 2017); *Petition of the City of Burlington, Vermont, d/b/a Burlington Telecom, for Designation As an Eligible Telecommunications Carrier in the State of Vermont for the Purpose of Offering Lifeline Serv. to Eligible Low-Income Households*, Vermont Public Service Board, Case No. 8883 (May 22, 2017); *Application of BlueBird Communications, LLC, for Designation as an Eligible Telecommunications Carrier*, Wisconsin Public Service Commission, 626-TI-100 (June 5, 2017); *Petition of Peoples Telecom, LLC for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky*, Kentucky Public Service Commission, Case No. 2017-00061 (June 9, 2017); *Application of Flat Wireless, LLC d/b/a Cleartalk Wireless for Designation as an Eligible Telecommunications Carrier (ETC) & Eligible Telecommunications Provider (ETP)*, Texas Public Utility Commission, Docket No. 46667 (June 12, 2017); *The Application of Assist Wireless, Inc., for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(2) of the Communications Act of 1934, as Amended*, Michigan Public Service Commission, Case No. U-18348 (July 31, 2017); *Application of Glob. Connection Inc. of Am. d/b/a Stand Up Wireless to be Designated as an Eligible Telecommunications Carrier in the State of Nevada Pursuant to NAC 704.680461 & Section 254 of the Telecommunications Act of 1996*, Nevada Public Utilities Commission, Docket No. 17-05018 (Aug. 18, 2017); *Application of Cross Cable Television, LLC for Designation as an Eligible Telecommunications Carrier Pursuant to the Telecommunications Act of 1996*, Oklahoma Corporation Commission, Order No. 667619 (Aug. 30, 2017); *Application of Q Link Wireless LLC for Designation as an Eligible Telecommunications Carrier in the State of Arkansas*, Arkansas Public Service Commission, Order (Sept. 6, 2017).